

IN THE UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF NEW MEXICO

SECURITIES AND EXCHANGE COMMISSION,

Plaintiff,

V.

No. 1:12-cv-00257-JB-LFG

LARRY GOLDSTONE, CLARENCE G. SIMMONS,  
III, and JANE STARRETT,

**Defendants.**

## DECLARATION OF GEORGE A. SALTER

I, George A. Salter, hereby declare as follows:

1. I am a partner at Hogan Lovells US LLP, counsel for non-party KPMG LLP ("KPMG"). I submit this declaration in support of Non-Party KPMG's Motion to Quash, In Part, or Modify Subpoena to Produce Documents, and for Protective Order.

2. I certify that I conferred with counsel for Defendants Larry Goldstone and Clarence Simmons in a good faith effort to obtain agreement on the issues raised by KPMG's Motion and to resolve the matter without Court action, but we were unable to reach agreement on any of the issues in KPMG's Motion.

3. Attached hereto as Exhibit 1 is a true and correct copy of the relevant excerpts of the Subpoena to Produce Documents, dated September 18, 2012, served upon KPMG by Defendants Larry Goldstone and Clarence Simmons in the above-captioned action.

4. Attached hereto as Exhibit 2 is a true and correct copy of the relevant excerpts of Non-Party KPMG's Objections and Responses to Defendants Larry Goldstone and Clarence Simmons's Subpoena to Produce Documents, dated October 2, 2012.

5. Attached hereto as Exhibit 3 is a true and correct copy of the letter from KPMG's counsel to counsel for Defendants Goldstone and Simmons, dated October 23, 2012. That letter accurately reproduces the relevant text of the Securities and Exchange Commission's subpoena to KPMG, dated April 28, 2008.

6. Attached hereto as Exhibit 4 is a true and correct copy of the relevant excerpts of the letter from counsel for Defendants Goldstone and Simmons to KPMG's counsel, dated October 9, 2012, responding to KPMG's Objections and Responses.

7. Attached hereto as Exhibit 5 is a true and correct copy of the relevant excerpts of the Defendants' First Set of Requests for the Production of Documents to Plaintiff Securities and Exchange Commission, dated October 5, 2012.

8. Attached hereto as Exhibit 6 is a true and correct of the e-mail from Stephen C. McKenna of the Securities and Exchange Commission, dated November 12, 2012.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

Dated: November 30, 2012

  
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George A. Salter

**CERTIFICATE OF SERVICE**

I, Spencer Reid, hereby certify that on December 4, 2012, I filed the foregoing Declaration of George A. Salter electronically through the CM/ECF System, which caused all counsel of record to be served by electronic means, as more fully reflected on the Notice of Electronic Filing:

/s/ W. Sencer Reid

Spencer Reid